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Office Memorandum • UNITED STATES GOVERNMENT

TO : Chief, Industrial Division, ORR

DATE: 1 October 1958 *END*
BD

FROM : Chief, Electronic Equipment Branch, ORR

SUBJECT: Monthly Report, September 1958

1. Status of Branch Projects:

25X1A9a ✓ ORR 36.1556, "The Electron Tube Industry of the USSR", Overdue,
 [REDACTED] - prepared for publication by [REDACTED] 25X1A9a
 This project was submitted to D/I on 30 September 1958.

25X1A9a ✓ ORR 36.1935, "Trends in the Electronics Industry of the USSR", Overdue,
 [REDACTED]
 This project is undergoing final typing in the Branch at this time.

25X1A9a ✓ ORR 36.1936, "Production of Microwave Communication Equipment in the
 Sino-Soviet Bloc", 15 November 1958, [REDACTED] 25X1A9a
 Initial work on this project has been delayed by the extensions of
 due dates for 36.1935. [REDACTED] has been collecting information, but
 has had time for very little else as yet. Primary reliance will have to
 be placed on information concerning equipment in use, rather than direct
 production data, although some official plan announcements, and incomplete
 data on individual plants are available. The geographic scope of the
 report covers the entire Bloc. This will be in effect limited to the USSR,
 Hungary, East Germany, and possibly Czechoslovakia; the only producers of
 such equipment. The primary value of the project is that it will cover a
 sub-sector of the industry which has been receiving increasing attention
 since 1955, and represents a significant share of total electronic output,
 both military and industrial. The project should assist in refinements of
 present estimates. Rescheduling of the project is indicated. This will
 be determined during October.

25X1A9a ✓ ORR 36.2065, "Trends in the Electronic Industry of Communist China",
 1 October 1958, [REDACTED] 25X1A9a
 Preparation of the final draft is still being delayed by difficulties
 the analyst has encountered in valuing the military effort in electronics.
 Value series have been calculated for electron tubes, for consumer goods,
 and for some types of industrial communication equipment. An aggregate
 industry index for 1957/52 is available. Assistance is now being provided
 by [REDACTED] and the Branch Chief to try to overcome the problem.

36,980
 36,1557 Proc Machs
 36,1690 *Final*
 25X1A9a ✓ ORR 36.2081, "The Reorganization of the Electronic Industry of the
 USSR", Overdue, [REDACTED] 25X1A9a

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This project has been submitted to D/I and returned to the Branch for additional work in the light of A/U comments, and some additional information. Coordination has been received from OSI/ED. Revision and rewriting will be undertaken following the vacation of the Branch Chief.

✓ ORR 36.2376, "The Impact of the Guided Missile Program on the Electronic Industry of the USSR", 15 November 1958, [REDACTED] 25X1A9a

25X1A9a The status of this project has been reported in the Branch Monthly Report for August, and discussions have been held with Deputy Chief, D/I. Some delay has been encountered in the initial stages of the project, due partially to [REDACTED] COCOM trip, and partially to the unavailability, until this past week, of the I/GM information on the best range of missile programs to consider. Work is now progressing, with coordination between I/EE and I/GM on content and procedures. It is hoped that the proposed external research contract will provide some useful results for this paper. 25X1A9a In connection with this contract, [REDACTED] is scheduled to visit the 25X1A5a1 [REDACTED]

as soon as security arrangements are completed. For maximum results and for maximum usefulness to the 1959 NIE, the analyst feels that the project should be completed at least by 1 March 1959, and should be scheduled for 15 February 1959. This date is also in accordance with I/GM needs. This date is therefore recommended.

✓ ORR 36.2377, "Production and Utilization of Semi-Conductor Elements in the Electronics Industry of the USSR", 15 December 1958, [REDACTED] 25X1A9a

The analyst has exploited the Soviet press and the East-West exchange program for the majority of information on this subject. In addition, the OCR library and IR facilities have yielded important information from clandestine sources. OSI and ATIC publications have provided some leads on sources not presently in our files, and technical analysis of [REDACTED] acquisitions is available for some types of diodes and transistors. Available information will permit the derivation of total semi-conductor production, with breakdowns into diodes and transistors. Limited information on costs and prices exist, but a value series appears to be feasible. Within the past two months information on Soviet use of semi-conductors has been increasing. Production and use trends can be estimated. There is no evidence of any difficulty which should delay submission. The Branch due date is 15 November 1958, and the analyst is aware of the importance of timely completion. 25X1X4

✓ ORR 36.2378, "Trends in the Electronics Industry of the European Satellites", 15 January 1959, [REDACTED] 25X1A9a

This project has been assigned to a single new analyst, rather than to two analysts, as originally scheduled. In order to make it easier for the analyst to familiarize himself with the industry problems, the project is being approached on a country by country basis. The results of

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research on East Germany indicate that this is probably the most favorable approach, and it is recommended that the project be published in a series of reports. The volume of material available on East Germany, although not representative of the other countries, indicates that the original estimate of required research time was too conservative. It is believed that 500 hours is a more realistic figure than the original 350. The study of the East German Industry is scheduled for completion by the analyst by 3 November 1958. The next country to be studied will be Hungary, with a target completion date of 22 December 1958. The terms of reference appear to be well understood by the analyst, and no major information gaps are apparent. It is expected that some problems of interpretation of technical details will arise, and the analyst will be assisted in this. Work to date has been in collecting and reducing information to reasonable size. Analysis and writing is beginning this week.

2. Status of Support Projects:

25X1A9a Work was done in the Branch on ORR 30.1830, East German NIS, in support of I/PE in the commodity series for electric batteries and wire and cable. [REDACTED] is the responsible analyst in I/PE. Since he has been in training, and unavailable for consultation, the work has not been entirely completed. No difficulties are expected.

3. Changes in Estimates:

A complete set of new estimate cards for the Soviet electronic industry are being submitted to the estimates files in connection with the completion of the Electron Tube paper (36.1556) and the USSR Trends paper (36.1935). The revisions of previous estimates have been completed for this country, and have been generally in an upward direction.

4. Relationships with Other Components:

A memorandum was received from the Telecommunications Equipment Branch, OSI, requesting support for a report they have in process on the effectiveness of VOA broadcasts to Iron Curtain countries. A maximum of about 30 hours is required and a project support number (S-376) has been obtained from St/PR to cover the time allocation. [REDACTED] will be able to 25X1A9a complete this support project prior to the beginning of her training.

5. Future Plans:

25X1A9a In connection with the US/USSR Exchange on Electronic Production Techniques, which was recently reactivated, it may be necessary for Mr. 25X1A6a [REDACTED] to make a trip to [REDACTED] in the latter part of October for one or two days. If this does become necessary, the persons to be contacted will be those with whom OO and State Department have been in contact and have security problems checked out. The trip would be made in the capacity of Chairman of the EIC Subcommittee and Technical Consultant for this particular exchange.

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